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May 26, 1994



JUN 0 6 1994

Mr. William F. Caton Acting Secretary Federal Communications Commission 1919 M Street, N. W. Room 222 Washington, D. C. 20554

FCC MAIL ROOM

RE: Oral <u>Ex Parte</u> Presentation in PP Docket No. 93 - 253 -- <u>Competitive Bidding</u>

Dear Mr. Caton:

Pursuant to Section 1.1206 (a) (2) of the Commission's Rules, 47 C.F.R. § 1.1206 (a) (2) (1992), this is to provide an original and one copy of the notice of oral <u>ex parte</u> presentation made in the above-referenced rulemaking proceeding by the undersigned on behalf of Encompass, Inc.

On May 20, 1994, Dave Lasier, Chief Executive Officer of Encompass, Inc. met with Don Gips, Greg Rosston, and Peter Tenhula of the Office of Plans and Policy to discuss the Commission's competitive bidding proposals, small business participation in the broadband PCS auctions, the importance of "set asides" for small business, and bidding credits for small business. A copy of the written materials presented at the meeting are attached.

Should any further information be required with respect to this <u>ex parte</u> notice, please contact the undersigned.

Respectfully submitted.

Dave Lasier

Attachment

CC:

Don Gips Greg Rosston

Peter Tenhula

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Encompass' Current Activity

	Providing services in		
		Network, RF, microwave engineering	
		Market planning	
		Business case modelling and auction strategy	
		Operations support	
		Site analysis and acquisition services	
		Technology assessment	
		Equipment and interconnect negotiation	
		Business development and application support for wireless	
		opportunities worldwide	
	Woi	king closely with several network infrastructure and terminal	
THE RESERVE		nanufacturers	
	Supporting several potential PCS operators with PCS business plan		
	•	development, technology assessment and engineering services	



Proposed Set Aside for SWMR

BTA

◆ 20 MHz (minimum) BTA set-aside in lower PCS band for SWMR with associated 10 year installment payments and no interest

Justification for Set Aside

- Represents a major opportunity for the hundreds of Small, Women and Minority-owned businesses and Rural Telcos
- Ensures diversity of licensees
- Encourages new infrastructure and technology investments
- Expedites new Personal Communication Services
- Increases auction value of other bands
- Distributes license costs equitably and eliminates capital advantages as a barrier to entry
- ◆ The risk to interoperability is extremely high without an independent set aside band given the lack of standards, the RBOCs' behavior on digital cellular and their incentives to delay PCS



PCS Technical Considerations

- Operators will decide the standards, technology, and interoperability
 - ♦ Use of any available technology in the world to deploy
 - No ANSI requirement that will restrict technology
- ◆ Equal treatment and fair rules for all Wireless Operators
 - Collection in Central Offices
 - **♦** Numbering (NPA, NXX, 500 Numbers)
 - **♦** Access to numbering system
 - **♦** Access to SS7 signaling and interconnect
 - ♦ LEC can not discriminate on number transactions
 - Collection on existing towers located on public R/W
- Cannot be denied access to public R/W and conduit infrastructure
- ◆ Power Limitation on down link up to 1200 watts
- Universal Policy no extraordinary council approval or zoning for wireless towers under 30 meters



Proposed Ownership Articulation and Control Rules

- ♦ ≥ 50.1% Ownership and Equity by License Holder (General Partner).
- **♦** ≥ 20.0% Control of the Operating Business (Limited Partnership).
- ◆ Equity, Not Debt, Used to Determine Ownership Interest. Exempt Convertible Debt that Cannot Convert for at Least 5 Years.
- ♦ SWMR has full access to any line of credit available commercially or privately.

